



Monthly Revenue Release

Agency of Administration
October 23, 2020

Contact: Susanne Young
(802) 828-3322

Montpelier, VT - Secretary of Administration Susanne Young releases Vermont's Revenue Results for September of 2020. General Fund, Transportation Fund and Education Fund results better than forecast for the month and year, for now.

Revenue collections through September 2020, the third month of fiscal year 2021 (FY21), have been compiled and compared to the current consensus revenue forecast for FY21 approved by the Vermont Emergency Board on August 12, 2020.

General Fund revenues for the month of September were \$165.97 million versus the monthly target of \$134.49 million, +\$31.49 million or +23.41% above the consensus target. The largest single above target performance was Personal Income Tax receipts, which were +\$22.89 million or +29.20% above the monthly target of \$78.39 million. Corporate Income Tax receipts of \$24.03 million were also ahead of target by +\$8.90 million, or +58.9%.

Year-to-date General Fund revenues were \$572.80 million, +\$49.27 million or +9.41% above the consensus target of \$523.54 million.

“We continue to see receipts above forecast in both personal and corporate income tax categories, especially in estimated personal income payments which account for +\$11.56 million of the +\$22.89 million in personal income tax receipts above target,” noted Secretary Young. “Because estimated personal income payments must equal 100% of the prior year’s tax liability or 90% of the current year’s estimated tax liability, the very strong income growth in last calendar year 2019 may account for a significant part of this strong showing in the September Personal Income estimates,” continued the Secretary. “It is likely at least a portion of those estimated gains will be offset by substantial refunds in April when those estimated payments are tried up to actual income earned in a difficult 2020. We will continue to watch and await future revenue performance for signs of change.”

The Transportation Fund saw mixed, but above, target results of +\$3.57 million or +15.1% above the monthly target of \$27.24 million. Gas Tax collections, Motor Vehicle Purchase & Use, and Motor Vehicle Fees saw above target results, while the remaining components (Diesel Fuel and Other taxes/fees) fell below target. Gasoline Tax was \$7.24 million, +\$0.77 million or +11.97% above the monthly target of \$6.47 million. Vehicle Purchase and Use Tax was +\$2.73 million or +41.70% above forecast, and Motor Vehicle Fees were ahead of target by +\$0.48 million or +6.89%. These above target performances were offset slightly by Diesel and Other (-\$0.05 million and -0.36 million respectively). Overall, year-to-date Transportation Fund revenue totaled \$67.71 million against the cumulative target of \$65.76 million, an above target result of +\$1.95 million or +2.97%.

Education Fund collections totaled \$48.45 million for September, versus the target of \$42.44 million, +\$6.01 million or +14.15%, driven by higher than expected Sales & Use, and Purchase & Use receipts. FY21 year-to-date Education Fund revenue of \$148.13 million exceeded the target by +\$13.34 million, and the previous September year-to-date total of \$139.93 million by +\$8.20 million.

“The fact that receipts for the first quarter of this fiscal year exceeded forecasts in all three funds is a positive development,” concluded Secretary Young. “The forecasts adopted in August, however, were lowered significantly from the January forecast pre-pandemic and the receipts this quarter if viewed against that earlier forecast reflect the current difficult and uncertain economic circumstances presented by the pandemic.”

State of Vermont



Monthly Revenue Release

Agency of Administration

October 23, 2020

Contact: Susanne Young
(802) 828-3322

State of Vermont Revenue, by Major Fund

vs. Consensus Revenue Forecast Target

Month: September
FY: 2021

General Fund By Major Element (In Millions)* (1&2)

| Tax Component | Month | | | | Fiscal YTD | | | | Prior Fiscal YTD Restated | | |
|-------------------------|---------------|---------------|--------------|---------------|---------------|---------------|--------------|--------------|---------------------------|---------------|---------------|
| | Target | Revenue | \$ Change | % Change | Target | Revenue | \$ Change | % Change | Revenue | \$ Change | % Change |
| Personal Income (1) | 78.39 | 101.29 | 22.89 | 29.20% | 385.53 | 415.02 | 29.49 | 7.65% | 204.71 | 210.31 | 102.74% |
| Corporate (2) | 15.12 | 24.03 | 8.90 | 58.88% | 11.46 | 21.22 | 9.76 | 85.16% | 27.13 | -5.91 | -21.79% |
| Meals & Room | 9.39 | 9.00 | -0.39 | -4.19% | 25.73 | 24.77 | -0.96 | -3.74% | 39.93 | -15.16 | -37.97% |
| Insurance Premium | 0.77 | 0.36 | -0.42 | -53.75% | 8.48 | 8.78 | 0.31 | 3.60% | 8.40 | 0.38 | 4.52% |
| Inheritance & Estate | 1.93 | 1.00 | -0.93 | -48.30% | 5.00 | 11.12 | 6.12 | 122.40% | 6.00 | 5.11 | 85.22% |
| Real Prop. Transfer | 1.28 | 2.12 | 0.85 | 66.42% | 3.57 | 4.97 | 1.40 | 39.07% | 3.12 | 1.84 | 59.09% |
| State Health Care Taxes | 20.46 | 21.83 | 1.37 | 6.68% | 65.50 | 68.09 | 2.59 | 3.96% | 66.66 | 1.43 | 2.14% |
| Other | 7.14 | 6.36 | -0.78 | -10.93% | 18.28 | 18.84 | 0.56 | 3.08% | 21.65 | -2.80 | -12.95% |
| Total | 134.49 | 165.97 | 31.49 | 23.41% | 523.54 | 572.80 | 49.27 | 9.41% | 377.61 | 195.20 | 51.69% |

*Differences due to rounding

Transportation Fund By Major Element (In Millions)*

| Tax Component | Month | | | | Fiscal YTD | | | | Prior Fiscal YTD | | |
|--------------------|--------------|--------------|-------------|---------------|--------------|--------------|-------------|--------------|------------------|--------------|---------------|
| | Target | Revenue | \$ Change | % Change | Target | Revenue | \$ Change | % Change | Revenue | \$ Change | % Change |
| Gasoline | 6.47 | 7.24 | 0.77 | 11.97% | 17.85 | 18.23 | 0.38 | 2.14% | 20.92 | -2.68 | -12.83% |
| Diesel Fuel | 1.82 | 1.77 | -0.05 | -2.58% | 4.35 | 4.32 | -0.03 | -0.65% | 4.86 | -0.54 | -11.08% |
| MV Purchase & Use | 6.54 | 9.26 | 2.73 | 41.70% | 17.47 | 19.36 | 1.89 | 10.81% | 19.82 | -0.46 | -2.33% |
| Motor Vehicle Fees | 6.93 | 7.41 | 0.48 | 6.89% | 20.95 | 21.50 | 0.55 | 2.61% | 22.09 | -0.59 | -2.67% |
| Other | 1.92 | 1.55 | -0.36 | -18.89% | 5.14 | 4.30 | -0.84 | -16.32% | 4.51 | -0.21 | -4.60% |
| Total | 23.67 | 27.24 | 3.57 | 15.08% | 65.76 | 67.71 | 1.95 | 2.97% | 72.19 | -4.48 | -6.20% |

Note:

| | | | | | | | | | | | |
|------------------------|------|------|-------|--------|------|------|-------|--------|------|-------|---------|
| TIB Fuel Fees/Gasoline | 1.04 | 1.07 | 0.02 | 2.27% | 2.95 | 2.82 | -0.14 | -4.63% | 3.78 | -0.96 | -25.45% |
| TIB Fuel Fees/Diesel | 0.20 | 0.19 | -0.01 | -5.42% | 0.47 | 0.46 | -0.01 | -2.33% | 0.52 | -0.06 | -11.57% |

*Differences due to rounding

Education Fund By Major Element (In Millions)*

| Non-Property Tax Component | Month | | | | Fiscal YTD | | | | Prior Fiscal YTD Restated | | |
|----------------------------|--------------|--------------|-------------|---------------|---------------|---------------|--------------|--------------|---------------------------|-------------|--------------|
| | Target | Revenue | \$ Change | % Change | Target | Revenue | \$ Change | % Change | Revenue | \$ Change | % Change |
| Sales & Use | 33.20 | 37.74 | 4.53 | 13.65% | 111.13 | 123.66 | 12.52 | 11.27% | 110.53 | 13.13 | 11.88% |
| Meals & Room | 3.40 | 3.26 | -0.14 | -4.19% | 9.32 | 8.97 | -0.35 | -3.74% | 13.31 | -4.34 | -32.58% |
| MV Purchase & Use | 3.27 | 4.63 | 1.36 | 41.70% | 8.73 | 9.68 | 0.94 | 10.81% | 9.91 | -0.23 | -2.33% |
| Lottery Transfer | 2.31 | 2.80 | 0.49 | 21.10% | 5.35 | 5.79 | 0.44 | 8.17% | 5.79 | -0.01 | -0.16% |
| Investment Income | 0.26 | 0.02 | -0.23 | -91.20% | 0.26 | 0.04 | -0.22 | -84.41% | 0.39 | -0.35 | -89.77% |
| Total | 42.44 | 48.45 | 6.01 | 14.15% | 134.80 | 148.13 | 13.34 | 9.89% | 139.93 | 8.20 | 5.86% |

*Differences due to rounding

- (1) FY21 Personal Income includes \$162M in deferred payments from FY20
- (2) FY21 Corporate Income Tax includes \$19.2M in deferred payments from FY20

Comparative Statement of Revenues
General Fund
As of September 30, 2020

| | <u>Total to Date</u> <u>Last Year</u> | <u>Total to Date</u> <u>This Year</u> | <u>% of Change</u> |
|-----------------------------------|--|--|----------------------------|
| Taxes | | | |
| Personal Income Tax | 204,711,737 | 415,023,423 | 102.7% |
| Sales & Use Tax | 0 | 0 | 0.0% |
| Corporate Income Tax | 27,130,487 | 21,218,997 | -21.8% |
| Meals & Rooms Tax | 39,926,598 | 24,765,120 | -38.0% |
| Liquor & Wine Tax | 213,444 | 1,245,481 | 483.5% |
| Insurance Premium | 8,403,349 | 8,782,961 | 4.5% |
| Telephone Gross Receipts | 52,135 | 54,875 | 5.3% |
| Telephone Property Tax | 795,573 | 105,631 | -86.7% |
| Beverage Tax | 2,038,132 | 2,037,148 | 0.0% |
| Electric Generating | 0 | 0 | 0.0% |
| Inheritance & Estate Tax | 6,001,000 | 11,115,114 | 85.2% |
| Real Property Transfer Tax | 3,121,827 | 4,966,446 | 59.1% |
| Bank Franchise Tax | 3,198,424 | 3,066,442 | -4.1% |
| All Other Taxes | 386,578 | 73,509 | -81.0% |
| Total Taxes | <u>295,979,284</u> | <u>492,455,148</u> | <u>66.4%</u> |
| Other Revenues | | | |
| Business Licenses | 19,129 | 38,007 | 98.7% |
| Fees | 11,084,911 | 10,176,730 | -8.2% |
| Services | 513,396 | 745,180 | 45.1% |
| Fines, Forfeits & Penalties | 1,691,637 | 882,766 | -47.8% |
| Interest, Prem | 879,751 | 31,790 | -96.4% |
| Special Assessments | 0 | 9 | 100.0% |
| All Other Revenues | 167,798 | 385,538 | 129.8% |
| Total Other Revenues | <u>14,356,621</u> | <u>12,260,020</u> | <u>-14.6%</u> |
| Health Care Revenues | | | |
| Health Care Taxes and Assessments | <u>66,663,938</u> | <u>68,089,202</u> | <u>2.1%</u> |
| Total General Fund | <u><u>376,999,842</u></u> | <u><u>572,804,370</u></u> | <u><u>51.9%</u></u> |

Date: October 05, 2020

Time: 08:05

**Comparative Statement of Revenues
Transportation Fund
As of September 30, 2020**

| | <u>Total to Date Last Year</u> | <u>Total to Date This Year</u> | <u>% of Change</u> |
|----------------------------------|------------------------------------|------------------------------------|--------------------|
| Non-Dedicated | | | |
| Taxes | | | |
| Gasoline | 20,915,436 | 18,232,759 | -12.8% |
| Diesel Fuel | 4,858,481 | 4,320,162 | -11.1% |
| MV Purchase & Use | 19,818,522 | 19,357,021 | -2.3% |
| Total Taxes | 45,592,439 | 41,909,941 | -8.1% |
| Other Revenues | | | |
| Motor Vehicle Fees | 22,089,484 | 21,500,111 | -2.7% |
| Other | 4,507,208 | 4,299,974 | -4.6% |
| Total Other Revenues | 26,596,692 | 25,800,084 | -3.0% |
| Total Non-Dedicated | 72,189,131 | 67,710,026 | -6.2% |
| Dedicated | | | |
| Federal Aid | 92,662,920 | 111,095,884 | 19.9% |
| Infrastructure Bond Fund Revenue | 4,296,843 | 3,275,272 | -23.8% |
| Transportation Impact Fee | 116,608 | (99,824) | -185.6% |
| Other | 1,574,836 | 838,768 | -46.7% |
| Total Dedicated | 98,651,207 | 115,110,100 | 16.7% |
| Total Transportation Fund | 170,840,338 | 182,820,126 | 7.0% |

Prepared by Department of Finance & Management

Date: October 05, 2020

Time: 08:05

State of Vermont
Comparative Statement of Revenues
Education Fund
As of September 30, 2020

| | <u>Total to Date</u> <u>Last Year</u> | <u>Total to Date</u> <u>This Year</u> | <u>% of Change</u> |
|---------------------------------|--|--|---------------------------|
| Non-Dedicated | | | |
| Estimated Revenues: | | | |
| Sales & Use Tax | 110,527,046 | 123,656,592 | 11.9% |
| Meals & Rooms Tax | 13,308,866 | 8,972,870 | -32.6% |
| Purchase & Use Tax | 9,909,261 | 9,678,510 | -2.3% |
| Lottery Transfer | 5,794,819 | 5,785,586 | -0.2% |
| Investment Income | 391,220 | 40,037 | -89.8% |
| Total estimated revenues | <u>139,931,212</u> | <u>148,133,595</u> | <u>5.9%</u> |
| Other Revenues: | | | |
| Education Property Taxes | 743,622 | (551,463) | -174.2% |
| Electric Energy Educ Prop Tax | 0 | 0 | 0.0% |
| Uniform Capacity Tax | 14,700 | 28,992 | 97.2% |
| Medicaid Reimbursement | 0 | 0 | 0.0% |
| All Other Revenues | 147,060 | 242,690 | 65.0% |
| Total other revenues | <u>905,382</u> | <u>(279,781)</u> | <u>-130.9%</u> |
| Total Education Fund | <u><u>140,836,594</u></u> | <u><u>147,853,814</u></u> | <u><u>5.0%</u></u> |

Prepared by Department of Finance & Management

Date: October 05, 2020

Time: 08:05